

PRECLEARANCE AND SECURITY FOR  
TOLLS**§ 401.22 Preclearance of vessels.**

(a) No vessel, other than a pleasure craft of 317.5 tonnes or less in displacement, shall transit until an application for preclearance has been made, pursuant to § 401.24 of this part, to the Manager by the vessel's representative and the application has been approved by the Corporation or the Manager pursuant to § 401.25 of this part.

(b) No vessel shall transit while its preclearance is suspended or has terminated by reason of:

(1) The expiration of the representative's guarantee of toll payment,

(2) A change of ownership or representative of the vessel, or

(3) A material alteration in the physical characteristics of the vessel, until another application for preclearance has been made and approved.

(c) A non-commercial vessel with a tonnage displacement of less than 317.5 tons cannot apply for preclearance status and must transit as a pleasure craft.

(68 Stat. 93-96, 33 U.S.C. 981-990, as amended and secs. 4, 5, 6, 7, 8, 12 and 13 of sec. 2 of Pub. L. 95-474, 92 Stat. 1471)

[39 FR 10900, Mar. 22, 1974, as amended at 47 FR 51122, Nov. 12, 1982; 55 FR 48598, Nov. 21, 1990; 65 FR 52914, 52915, Aug. 31, 2000; 66 FR 15329, Mar. 16, 2001]

**§ 401.23 Liability insurance.**

(a) It is a condition of approval of an application for preclearance that the vessel is covered by liability insurance equal to or exceeding \$100 per gross registered ton.

(b) No vessel shall transit while its liability insurance is not in full force and effect.

(68 Stat. 93-96, 33 U.S.C. 981-990, as amended and secs. 4, 5, 6, 7, 8, 12 and 13 of sec. 2 of Pub. L. 95-474, 92 Stat. 1471)

[39 FR 10900, Mar. 22, 1974, as amended at 45 FR 52378, Aug. 7, 1980]

**§ 401.24 Application for preclearance.**

The representative of a vessel may, on a form (3 copies) obtained from the Corporation, Massena, New York, or the Manager, Cornwall, Ontario, apply for preclearance, giving particulars of

the ownership, liability insurance and physical characteristics of the vessel and guaranteeing payment of the tolls and charges that may be incurred by the vessel.

(Approved by the Office of Management and Budget under control number 2135-0002)

[42 FR 27586, May 31, 1977, as amended at 49 FR 30936, Aug. 2, 1984; 65 FR 52914, 52915, Aug. 31, 2000]

**§ 401.25 Approval of preclearance.**

Where the Corporation or the Manager approves an application for preclearance, it shall:

(a) Give the approval; and

(b) Assign a number to the approval.

[39 FR 10900, Mar. 22, 1974, as amended at 65 FR 52914, 52915, Aug. 31, 2000]

**§ 401.26 Security for tolls.**

(a) Before transit by a vessel to which the requirement of preclearance applies, security for the payment of tolls in accordance with the "St. Lawrence Seaway Tariff of Tolls" as well as security for any other charges, shall be provided by the representative by means of:

(1) A deposit of money with the Manager;

(2) A deposit of money to the credit of the Manager with a bank in the United States or a member of the Canadian Payments Association, a corporation established by section 3 of the Canadian Payments Association Act, or a local cooperative credit society that is a member of a central cooperative credit society having membership in the Canadian Payments Association;

(3) A deposit with the Manager of negotiable bonds of the Government of the United States or the Government of Canada; or

(4) A letter of guarantee to the Manager given by an institution referred to in paragraph (a)(2) of this section.

(5) A letter of guarantee or bond given to the Manager by an acceptable Bonding Company. Bonding companies may be accepted if they:

(i) Appear on the list of acceptable bonding companies as issued by the Treasury Board of Canada; and

(ii) Meet financial soundness requirements as may be defined by the Manager at the time of the request.